DOCUMENT RESUME

ED 342 938 CE 060 488

AUTHOR	Timko, Joseph J.; Birkenholz, Robert J.
TITLE	Introduction to Agricultural Business Unit. Student Reference for Agricultural Science I Core Curriculum. Volume 19, Number 20.
INSTITUTION	Missouri Univ., Columbia. Instructional Materials Lab.
SPONS AGENCY	Missouri State Dept. of Elementary and Secondary Education, Jefferson City. Div. of Vocational and Adult Education.
PUB DATE	May 88
NOTE	33p.; For the Instructor's Guide, see ED 247 392.
AVAILABLE FROM	Instructional Materials Laboratory, University of Missouri, 2316 Industrial Drive, Columbia, MO 65202 (order no. 10-9202-S: $1.75).
PUB TYPE	Guides - Classroom Use - Instructional Materials (For Learner) (051)
EDRS PRICE	MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS	*Agribusiness; *Agricultural Education; Agricultural Occupations; *Business Administration Education; Career Choice; Codes of Ethics; Community Services; Community Support; Competition; Economics; Employment Opportunities; Free Enterprise System; Job Skills; Life Style; Occupational Information; Recordkeeping; Required Courses; Secondary Education; Stealing; Student Educational Objectives; Supplies; Values
IDENTIFIERS	Missouri

ABSTRACT

This student reference on agricultural business, designed to accompany the lessons outlined in the 1984 instructor's guide, "Introduction to Agricultural Business," has seven lessons: (1) introduction to agribusiness; (2) careers in agribusiness; (3) agribusiness in the community; (4) the role of the employee in an agribusiness; (5) success and failure on the job; (6) agribusiness procedures; and (7) setting personal goals. Lesson 1 contains the following: components of the industry, U.S. and Missouri farm expenditures, U.S. economy, competition, and capital and profit. Topics in lesson 2 are as follows: choosing an agribusiness career, occupational areas in agribusiness, and agricultural occupations and skills/educational requirements. Lesson 3 covers services, supplies, and community support. Lesson 4 includes the following: employee characteristics, job responsibilities, and working toward success. Five topics comprise lesson 5: job skill and success, basis for denying promotions, code of worker ethics, job performance and advancement, and achieving success. The focus of lesson 6 is on the following: business procedures, shoplifters, procedures and recordkeeping, and using business brochures. Lesson 7 covers career goals, life-style, values, flexibility, and realism. (NLA)

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For
Agricultural Science I Core Curriculum

Student Reference

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The activity which is the subject of this report was supported in whole or in part by funds from the Department of Elementary and Secondary Education, Division of Vocational and Adult Education. However, the opinions expressed herein do not necessarily reflect the position or policies of the Missouri Department of Elementary and Secondary Education or the Division of Vocational and Adult Education, and no official endorsement should be inferred.

Student Reference

INTRODUCTION TO AGRICULTURAL BUSINESS UNIT

Joseph J. Timko
Research Assistant
Instructional Materials Laboratory

Robert J. Birkenholz
Assistant Professor
Agricultural Education
University of Missouri-Columbia

Volume 19
Number 20

Produced by the Instructional Materials Laboratory
University of Missouri-Columbia
Columbia, Missouri

Catalog Number AG-53-S
May 1988

ACKNOWLEDGEMENTS

This Introduction to Agricultural Business (Student Reference) is a new addition to the Agricultural Science I curriculum. Development of this reference was suggested by the Missouri Vocational Agriculture Teachers Association Teaching Aids Committee.

The Introduction to Agricultural Business Advisory Committee selected the topics to be included in this unit. Special recognition is given to the committee members for providing their valuable time and suggestions in developing this unit. The committee consisted of the following: Steve Bryant, Doug Funk, Dennis Gutshall, Delbert Lund, Charles Parks, Kathy Sicht, Julie Tockman and Jim Welker.

Special recognition is also due to Harley Schlichting, director of the Instructional Materials Laboratory and his staff for typing, editing, and illustrating this unit.

Joseph J. Timko
Research Assistant
Instructional Materials Laboratory
University of Missouri-Columbia

Robert J. Birkenholz, Assistant Professor
Agricultural Education
University of Missouri-Columbia

FOREWORD

This student reference in agricultural business is designed to accompany the lessons outlined in the 1984 Introduction to Agricultural Business (Instructor's Guide), a part of the Agricultural Science I curriculum. The information would be of value to anyone seeking general information about agricultural business.

Seven lessons were developed to aid students. The lessons are as follows: 1) Introduction to Agribusiness, 2) Careers in Agribusiness, 3) The Role of Agribusiness in the Community, 4) The Role of the Employee in an Agribusiness, 5) Success and Failure on the Job, 6) Agribusiness Procedures, and 7) Setting Personal Goals.

Persons using this reference on an individual basis may wish to secure a copy of the Introduction to Agricultural Business (Instructor's Guide) for additional materials and references.

Bob R. Stewart, Professor and
Coordinator
Agricultural Education
University of Missouri-Columbia

Terry Heiman, Director
Agricultural Education
Department of Elementary and
Secondary Education

INTRODUCTION TO AGRICULTURAL BUSINESS

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UNIT - INTRODUCTION TO AGRICULTURAL BUSINESS

Lesson 1: Introduction to Agribusiness

An agribusiness is any profit-motivated enterprise that involves providing supplies and/or services needed by those engaged in agricultural production, and/or the processing, marketing, transporting, and distribution of agricultural materials and consumer products. Production agriculture is in the agricultural industry but is not considered an agribusiness.

Components of the Agricultural Industry

The agricultural industry is divided into the following areas.

1. Production
2. Processing
3. Distribution

Some references include supplies and services.

Agricultural production is best described as the end result of the work and resources put into a farm. The activities through which the original form of farm products are somehow altered before being sold to a wholesaler or retailer are called processing. Distribution includes the activities involved in marketing fresh or processed farm products. Table 1.1 illustrates the part agriculture plays in the overall economy in the United States.

TABLE 1.1 - Agriculture and the United States Domestic Economy

Item	Employment (millions)	Percent of U.S.	Value added (billions of dollars)	Percent of U.S.
Farm sector	2.7	2.4	67.3	1.8
Non-farm sector				
Food processing	1.4		76.9	
Manufacturing	2.9		102.0	
Transportation, trade and retailing	6.5		203.8	
Eating establishments	3.0		53.3	
Other	4.5		153.5	
Non-farm sector total	18.3	16.1	589.5	16.1
Total agriculture	21.0	18.5	656.8	17.9

Source: Economic Indicators of the Farm Sector 1985, Farm Sector Review. United States Department of Agriculture.

Agriculture is the largest industry in the United States, accounting for approximately 18 percent of the nation's total economic output. As this country's largest employer, agriculture provides more than one out of every five jobs. The number of people involved in production agriculture is approximately equal to the combined total of all persons employed in the steel, transportation, and automobile industries. Agriculture is also one of this country's most productive industries and is clearly a major contributor to the United States economy.

United States and Missouri Farm Expenditures

Farmers may have a variety of expenditures such as feed, livestock, seed, fertilizer, repairs, labor, and others. Table 1.2 indicates the dollars spent for supplies and services by United States and Missouri farmers from 1980 to 1984.

TABLE 1.2 - Dollars Spent by United States and Missouri Farmers 1980-84

Year	U.S. (Million dollars)	Missouri (Million dollars)
1980	94,155.0	2,583.9
1981	96,299.0	2,675.5
1982	95,675.0	2,598.8
1983	95,396.0	2,677.5
1984	96,071.0	2,679.6

Source: 1986 Missouri Farm Facts. Columbia, Missouri: Missouri Crop and Livestock Reporting Service.

Agricultural Statistics 1986. United States Department of Agriculture: United States Government Printing Office Washington, 1986.

The United States Economy

The economy in the United States is based on the principle of free enterprise. Under this system, most businesses are owned and operated by private individuals. As owners, these individuals are relatively free to decide how to handle their own business with limited government regulations. The owners will reap the benefits and losses of any decisions they make.

Competition

Competition is a vital component of the free enterprise system. Competition implies that persons involved in businesses are striving to reach the same economic goals and objectives and to capture the same customers or market at the expense of one another. Competition causes businesses to: (1) sell at reasonable prices, (2) provide what consumers want, (3) develop superior products, and (4) provide better services.

When a business charges unreasonably high prices, the volume of sales for that business generally declines. This occurs because a competitor is willing to sell the same or a similar product at a lower price. If there is no competing business there probably will be soon. The free enterprise system provides the freedom of private businesses and individuals to operate competitively for profit, with minimal government regulation. As a result of such competition, the business selling or providing services at higher prices soon has too small a volume of business to make maximum profit. If the business decides to raise its prices still higher, its sales and profits would likely decline even further. For these reasons, competition or the threat of competition from other businesses tends to keep prices reasonable in a free enterprise system.

Capital and Profit

All of the financial resources owned by a business are its capital. Cash on hand is a form of capital, as well as land, buildings, stocks, and bonds owned by a business. The possibility of earning profit as a result of investing capital is the motivating force behind most business decisions. Although some businesses may have non-profit objectives, the profit motive remains the major goal of most businesses.

Profit is the amount of money or capital remaining after expenses are paid. Below are a few of the many explanations of why profits exist.

1. Profit is the motivating force behind taking a risk in business. Usually, the greater the risk involved, the greater the potential profit may be for successful ventures.
2. Profit often results from the control of scarce resources. In general, when there is a great demand for a resource, both its price and the profit it returns to the owner will be high.
3. Profits exist because some people have access to uncommon information. An innovative few know how to turn this information into profit. Patents and copyrights came about as part of an attempt to encourage creativity by ensuring that creators profit from new ideas.
4. Additional profits may occur because some businesses are managed more effectively. The managers of these businesses are often creative persons whose organizational skills are more efficient. The reward for doing a better job may be higher profit.

Summary

Agriculture is the largest industry in the United States. More people are employed in the business of buying or selling agricultural supplies, products, and services than any other industry across this nation. Agricultural businesses operate competitively for profit. Competition causes businesses to sell at reasonable prices, provide what consumers want, develop superior products and, provide better services. The possibility of earning profit as a result of investing capital is the motivating force behind most business decisions.

Credits

Beierlein, James G., Kenneth C. Schneeberger and Donald D. Osburn. Principles of Agribusiness Management. Englewood Cliffs, NJ: Prentice-Hall, 1986.

Roy, Ewell P. Exploring Agribusiness. Danville, IL: Interstate Printers and Publishers, Inc., 1980.

Missouri Farm Business Summary. University of Missouri-Columbia Extension Division, FM 8690, 1985.

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UNIT - INTRODUCTION TO AGRICULTURAL BUSINESS

Lesson 2: Careers in Agribusiness

Choosing a career is an important decision. A career is a profession or occupation for which one trains and pursues as a lifework. In considering a career, one must carefully think and plan to select the best possible path to reach a desired goal. No ready-made answers can be found for the many questions that are sure to arise. When in the process of making a career decision, one should know about the different careers available in agriculture and the educational requirements of agricultural careers.

Factors in Choosing an Agribusiness Career

Before starting to think about a particular career to pursue, examine your personal goals. The following are four important career-related goals to consider.

Wealth - A major objective of many people is to earn the most money possible. For some, success is measured by possessions and the amount of money earned. For others, success is measured in possibly more personal terms, such as loyalty to an employer or involvement in community affairs. There are many people who are between these two extremes.

Personal contact - The amount of contact with other people in a particular occupation should be given careful thought. Some people prefer to limit the amount of personal contact on the job, while others view personal contact as a necessity. Another factor to consider is whether your preference is for meeting new people regularly or for working with the same group of people on a daily basis.

Formal education - A high school education is necessary for proficiency and advancement in nearly every facet of agriculture. As the agricultural industry becomes more technical, more students are furthering their education in four-year colleges and two-year technical institutes and community colleges. The formal education provided by two-year colleges is usually more practical in nature and is designed to train students for technical or middle-management level positions. Such positions would include soil conservation service technician, agricultural machinery shop supervisor, and agribusiness manager. Two-year colleges can also serve as a bridge between high school and a four-year college or university.

Highly technical or professional careers require a degree from a four-year college or university. A bachelor's degree is awarded to students who successfully complete a four-year program of study in a chosen field. Bachelor's degrees are usually necessary to pursue careers in areas such as agricultural communications, public relations, engineering, farm machinery design, agricultural chemicals, and farm management. If you wish to pursue formal education beyond the bachelor's degree, you may undertake graduate study toward a master's or doctorate. These degrees are required to enter

professions such as college-level teaching, extension specialist, and research.

Practical experience - Working in a chosen field provides practical experience. Two examples of how students can gain practical experience are working part-time in an agribusiness or completing a Supervised Occupational Experience (SOE) program as part of the vocational agricultural curriculum. An SOE may include part-time work. Practical experience may be as important as formal education because it is an important factor that agribusiness employers consider when hiring new employees. Work experience acquired before entering the job market not only gives applicants an advantage when seeking employment, but experience will also help you learn new terms, techniques, and procedures encountered in a new job.

Occupational Areas in Agribusiness

Agribusinesses provide broad career opportunities for persons trained to process and distribute agricultural products; to provide special services to farmers who produce agricultural products; and to work in research, teaching, and extension in the field of agriculture. Production agriculture, although technically not classified as an agribusiness, is closely related.

Past trends indicate that fewer people will be technically working in farming but that more people will be employed supplying inputs to farmers and in marketing, processing, and distributing farm products. Although the number of jobs in agribusiness are increasing, the number of jobs which can be performed by people with little education are decreasing. Unskilled or semi-skilled workers, both on the farm and in the city, will be less able to find and hold a job. In contrast, persons with more education, skills, and training will likely have more job opportunities available to them. The broad occupational areas of agriculture and their subareas are as follows:

Agricultural production - Subareas in agricultural production include animal science, plant science, and related subjects.

Agricultural supplies and services - Subareas in agricultural supplies and services include agricultural chemicals (insecticides, herbicides, vaccines or antibiotics), livestock feeds, seeds, and fertilizer.

Agricultural mechanics - Subareas in agricultural mechanics include agricultural power and machinery; agricultural structures and conveniences; soil and water management; agricultural mechanic skills; agricultural construction and maintenance; and agricultural electrification.

Agricultural products - Subareas in agricultural products include food and non-food products.

Horticulture - Subareas in horticulture include arboriculture; floriculture; greenhouse operation and management; turf management; and fruit and vegetable production.

Agricultural resources - Subareas in agricultural resources include soil, wildlife (including game farms and hunting areas), water, air, and fish (including farms and hatcheries).

Forestry - Subareas in forestry include forest protection, logging (harvesting and transporting), wood utilization, recreation, and special projects.

Other - Subareas in the other occupational area include education and specialty areas.

Agricultural Occupations

Some examples of occupations in each of the occupational areas in agriculture are as follows:

Agricultural production
- Farmer
- Farm worker
- Custom worker
- Cattle rancher
- Dairy farmer
- Poultry farmer
- Sheep farmer

Agricultural supplies and services
- Salesperson
- Truck driver
- Warehouse worker
- Veterinarian
- Animal technician
- Custom applicator

Agricultural mechanics
- Farm machinery mechanic
- Agricultural engineer
- Parts person
- Construction worker
- Salesperson

Agricultural products
- Canning plant worker
- Food technologist
- Meat inspector
- Dairy plant worker
- Livestock buyer
- Grain sampler

Horticulture
- Florist
- Nursery manager
- Orchardist
- Garden center manager
- Turf manager
- Greenhouse manager

Agricultural resources
- Wildlife conservation officer
- Soil conservationist
- Pollution control worker
- Fishery biologist
- Game biologist

Forestry
- Logger
- Forester
- Timber cruiser
- Sawmill worker
- Forest firefighter
- Tree nursery worker

Others
- Entomologist
- County agent
- Agriculture teacher
- Agronomist
- Radio of television farm-program director

Agribusiness Occupations: Skills and Educational Requirements

Unskilled - Jobs in this category do not require that an individual have special training or education. One can usually become proficient in a short period of time at performing the labor for unskilled jobs. These jobs may have relatively low salaries. Unskilled positions can still be used to enter and ultimately advance in a particular career. Some jobs in agribusiness for unskilled workers would include the following: greenhouse attendant, fruit picker, and feed delivery helper.

Semi-skilled - Positions in this category are usually the first or second step an employee must take before entering a skilled position. The work experience these positions provide is valuable to the employee who has the desire and potential to advance. Semi-skilled workers often fill the following jobs: butcher's assistant, landscape gardener, veterinarian's assistant, and welder's helper.

Skilled - Agribusinesses need employees with experience in a variety of skill areas. Skilled workers generally hold a high school diploma and have received some special training earned through a vocational school or on the job experience. Some skilled positions in agribusiness include butcher, agricultural draft person, timber faller, and agricultural welder.

Technical - Technical positions within an agribusiness usually require a high school diploma and some formal education or training beyond high school. Also, practical knowledge in science and mathematics may be needed to secure one of these positions. Some technical positions available in agribusiness are seed tester, florist, herd supervisor, and surveyor.

Management - Being a manager literally means "being able to manage, handle or control something." The duty of a manager in an agribusiness is to manage and work with people who work for the business. A manager's ability results from accumulating work experience in a particular occupational area. Management positions may require that a manager hold an associate or a bachelor's degree. Some examples of management positions in agribusiness are farm machinery supervisor, agricultural sales manager, and fertilizer plant manager.

Professional - Professional occupations are job areas requiring at least one college or university degree above the associate degree level. Degrees normally held by professionals in agribusiness are the bachelor's, master's or doctorate. Studying at a college or university to earn a bachelor's degree is usually the first step towards a professional career. A professional already in the field may choose to pursue a master's degree, and then possibly a doctorate, to advance in their chosen career field. Some examples of professionals in agribusiness careers are agronomist, agricultural chemist, conservationist, veterinarian, and agriculture teacher.

Summary

A career is a profession or occupation for which one trains and which one pursues as a lifework. The level of wealth, personal contact desired, formal education and practical experience required are some of the important factors

to consider before choosing a career. There are many diverse occupational areas in agriculture in which persons can enter and advance throughout their career.

Credits

Lee, Jasper S. Working in Agricultural Industry. New York: McGraw-Hill Book Company, 1980.

Wolf, Willard H. Opportunities in Agricultural Occupations. Columbus, OH: The Ohio State University, Ohio Agricultural Education Curriculum Service, 1976.

Lesson 3: The Role of Agribusiness in the Community

Agricultural Services

Service is defined as "work done for others as an occupation or a business." Agribusiness services include work done by businesses for individuals on the farm or in the community. For example, the United States government may be one of this country's largest agribusinesses. Through the Department of Agriculture, the government provides services such as soil testing, land surveying, tree planting, and providing professional advice in technical areas. These and others are valuable services provided for both the public and private sectors connected with agriculture in this country.

The services that custom operators provide for farmers are further examples of the work performed by agribusinesses. Grinding and mixing feed, applying fertilizers and pesticides, tillage operations, and harvesting crops are services that allow farmers to place more emphasis on other aspects of production. To purchase, maintain, and ultimately replace the equipment required for these custom operations is expensive. By avoiding this expensive option, an increasing number of farmers are today depending on custom services provided by agribusiness.

Another valuable service is provided by veterinarians. Veterinarians are persons who often work to maintain or improve animal health. They may concentrate on either large or small animal health care or work in developing vaccines or medications. Some examples of veterinary services are administering vaccinations; treating sickness or injury; dehorning; and inspecting animals and animal products.

Services provided by agribusinesses are numerous and diverse. They range from the butchering of beef to the drilling of wells; from constructing poultry houses to the repair of a tractor's hydraulic system; and from writing market reports for farm bulletins to arranging credit for the purchase of farmland.

Agribusiness Supplies

Supplies are those materials which enable farmers to produce livestock, crops, and other commodities. Supplies sold by agribusinesses to farmers are as numerous and diverse as the needs they meet on the farm. The major agribusiness supplies sold to farmers and their distribution channels are briefly described below.

Fuel and oil - Bulk petroleum outlets sell to company-owned or franchised gas and oil service stations, to farm supply stores, and to farmers directly.

Fertilizer - Manufacturers and mixers prepare fertilizer and distribute it to farmers directly, to bulk blenders, to company owned fertilizer outlets, and to farm supply stores.

Seed - Wholesalers and distributors sell to farm supply stores, to home and garden stores, to nursery and greenhouse outlets, and to farmers directly.

Construction materials - Retail dealers and distributors sell to lumberyards, building materials dealers, farm supply stores, hardware stores, and paint stores. Each of these sell directly to farmers.

Hand tools - Wholesalers and distributors sell to farm supply stores, to hardware stores, and to farmers directly.

Feed - Feed mills prepare feed and distribute it to farmers directly, to feed mixers who combine the farmers' grain with purchased concentrates, or to farm supply stores that sell to farmers.

Machinery - Privately owned or company farm machinery and equipment outlets sell to farmers and operate repair and service shops.

Community Support Provided by Agribusiness

Agribusinesses support the local community by:

1. Providing jobs and income
2. Providing products and supplies
3. Providing needed services
4. Providing expertise and technology
5. Providing the convenience of having what you need when you need it
6. Helping pay for public school education through property tax revenues
7. Increasing city revenue through license fees
8. Providing community leadership
9. Providing scholarships and supporting community activities

Summary

Providing agricultural services and supplies is one role of an agribusiness in a local community. Agribusiness services include work done by businesses for individuals on the farm or in the community. Agribusiness supplies are those materials which enable farmers to produce crops, livestock, and other commodities. Along with supplies and services, community benefits gained by the presence of successful agribusinesses include jobs and income, tax revenues, leadership, and scholarships.

Credits

Lee, Jasper S. Working in Agricultural Industry. New York: McGraw-Hill Book Co., 1980.

UNIT - INTRODUCTION TO AGRICULTURAL BUSINESS

Lesson 4: The Role of the Employee in an Agribusiness

Employee Characteristics

In the process of looking for a good employee, employers desire certain characteristics of individuals. All people are different, yet employees in an agribusiness are expected to exhibit certain characteristics that are favorable to obtaining and keeping a job.

Some characteristics which help enable one to succeed as an employee in agribusiness are summarized below. Gocd employees frequently exhibit the following characteristics:

Adaptability - Good employees can adjust to new situations and accept changes without complaint. (When first choice is not possible, alternatives are cheerfully accepted.) Good employees also readily learn new procedures and information required to perform their job.

Cooperation - Good employees work together to achieve a desired goal and agree to follow rules and regulations. Cooperation also means being flexible, helpful, and considerate of others.

Courtesy - Good employees are polite and demonstrate good manners. Speaking pleasantly and expressing thanks for the efforts of others are important signs of courtesy.

Dependability - Good employees complete duties assigned to them. They are punctual and regular in their attendance. They are also able to follow instructions.

Enthusiasm - Good employees are eager to help do their part in job-related activities. They are willing to do more than their share when time permits.

Honesty - Good employees tell the truth, respect the property of others, keep promises, and are careful to avoid wasting time on the job.

Initiative - Good employees recognize the work to be done without being told. Persons with initiative can work on their own and accept additional responsibility when necessary.

Knowledge and experience - Good employees know how to use information and experience they have gained over time. Their background and education should be utilized to perform their jobs.

Loyalty - Good employees can be trusted and speak kindly of their place of employment and their supervisor. A good employee would not do anything to discredit the image of the company.

Patience - Good employees take the time to do things the right way the first time. Good listening skills and the ability to control one's temper are other attributes of a patient employee.

Quality - Good employees do a good and complete job of the work they perform. They should be proud of each task once it has been completed.

Quantity - Good employees accomplish a reasonable amount of work in a fair amount of time.

Self-control - Good employees can control their emotions and are able to accept constructive criticism. Also, people with self-control remain calm and poised during a time of crisis or stress.

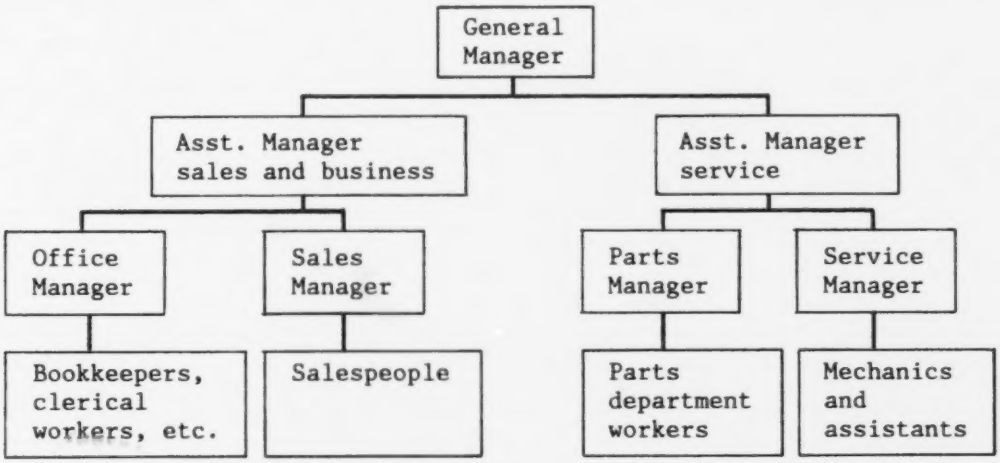
Tact - Good employees say the right thing at the right time and avoid saying things which may hurt the feelings of others.

Responsibility on the Job

Agribusinesses often develop an organizational structure when more than one person becomes involved in management. An organizational structure identifies channels of communication between employees and management. A defined structure also provides a means of assigning managerial responsibility within a business. Operating an agribusiness which lacks good organization will likely prove to be inefficient.

Three major types of organizational structures are outlined below.

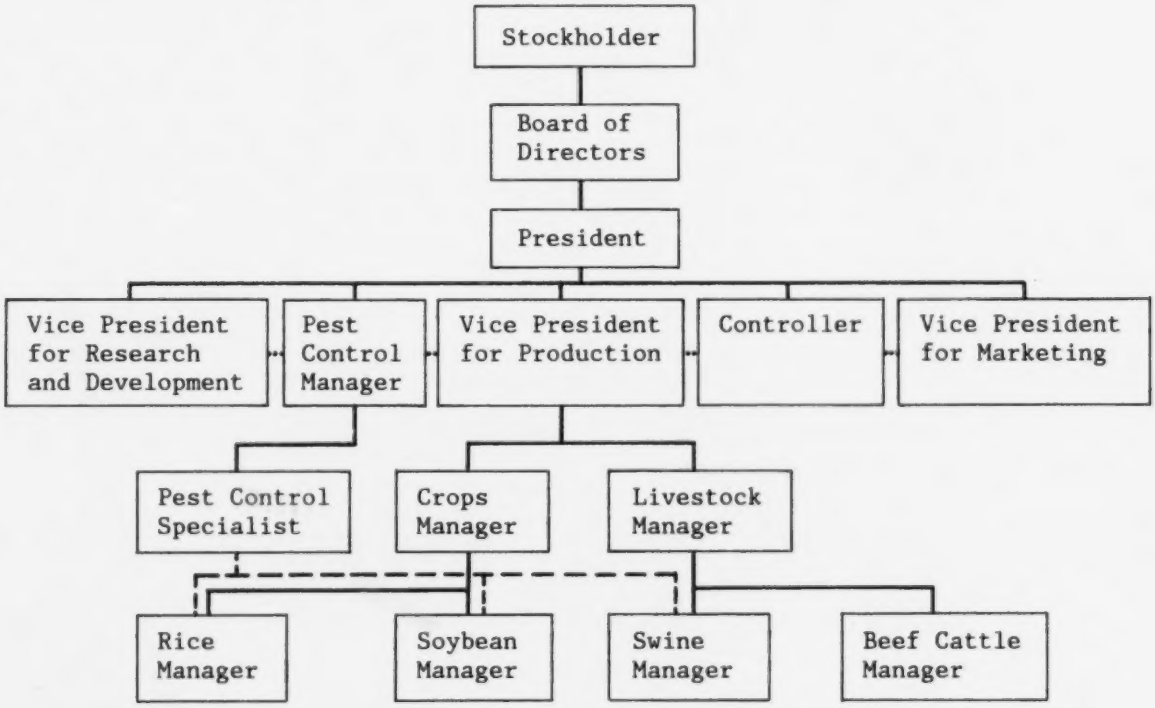
Line organization - This is an example of a farm machinery business.



In line organization, each worker has only one supervisor. Authority flows from top management to middle managers to operating managers, who in turn directly supervise employees. No matter how many there are, management units at the same level function independently of one another.

Functional organization - In the functional organization, the duties of managers are divided to allow each manager to specialize in a particular area. For example, in a meat processing plant, one manager may be in charge of product quality control and another may be in charge of product packaging. Efficient supervision is one advantage of this type of organization. However, a disadvantage may be that an individual employee may have two or three supervisors at the same time.

Line-and-staff organization - This type of business organization is a combination of line and functional organizations. A line-and-staff organization provides clear lines of authority and permits some specialization. Line functions are concerned with activities that are part of the main goal of the business, such as chemical production or crop research. Staff functions deal specifically with supporting workers who have line functions like providing engine parts on an assembly line or completing payroll paperwork. Below is an example of line-and-staff organization for a feed manufacturing plant.



Working Toward Success

Setting goals is an important step toward becoming a successful employee in an agribusiness. No matter what type of business you work for, you will need to set goals and develop a plan to reach those goals.

Listed below are some steps which may help you achieve success as an agribusiness employee.

1. Attain complete mastery of your present job. Seek out and read up-to-date information about your job. Ask your supervisor job-related questions and make sure you understand the answers. Share job-related information with other employees.
2. Follow approved policies and procedures. Request a complete explanation of company policies and procedures when starting a new job. Also examine the type of organizational structure used by your employer. It is important to know who you are responsible to on the job.
3. Check your own work for quality. Work quickly and efficiently, yet make sure to maintain quality work. The quality of your work will influence the success of an agribusiness. Therefore, each employee plays an important role in maintaining the image of an agribusiness.
4. Develop a program of self-improvement. Remember that maintaining a good attitude about work should be a primary goal. Punctuality, readiness to work, and loyalty are based on having a good attitude about work.
5. Examine yourself on the 14 characteristics identified as qualities of a good employee. Develop a plan to improve those characteristics whenever possible.

Summary

Knowing what an employer wants in a potential employee is important in order to find and keep a job in agribusiness. Characteristics of a good employee include completing a reasonable quantity and quality of work, being adaptable to new situations, showing enthusiasm on the job, and using a tactful approach when necessary. Successful employees understand their responsibility within an organization and set goals for self-improvement on the job.

Credits

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UNIT - INTRODUCTION TO AGRICULTURAL BUSINESS

Lesson 5: Success and Failure on the Job

Job Skill and Success

When an employee has good job skills, he or she may be considered for a promotion within the agribusiness. If the employee cannot perform the job properly or efficiently, he or she may be fired. Commonly asked questions concerning an employee's job skills are:

How effective is the employee at performing skills required in his or her present job?

Are the employee's current level of job skills transferable to a higher position in the agribusiness?

What is the employee's education and training background?

Is it likely that the employee will learn new skills quickly and thoroughly if promoted to a higher position?

Basis for Denying Promotions

Approximately 80 percent of all persons who are denied promotions fail because they cannot get along with others. Whether it be with customers, co-workers or managers, an employee must be aware that good interpersonal skills are important for advancement in agribusiness. This does not mean that every employee in an agribusiness must become your friend for you to be promoted. Instead, you should first work at developing a good working relationship with co-workers and present a positive image of the agribusiness to others. With this attitude, your ability to get along with others on the job will increase.

A Worker's Code of Ethics

A code of ethics provides the guidelines which influence an individual's attitude and direct his or her actions. When this code is applied at the work place, it has a direct affect on the work performed by an individual.

Effect of Work Ethics on Job Performance and Advancement

The quality and quantity of work an agribusiness employee does is a direct result of the ethical beliefs of that person. Every person operates within the framework of his or her beliefs and prejudices. One should develop an ethical code that will contribute to his or her success in the agribusiness.

In the work place, an agribusiness employee's code of ethics should help the employee to develop positive work habits and attitudes. Employees should continually add to their knowledge, skills, understanding, and appreciation of their chosen field. They should maintain a willingness to apply new and

improved practices in the performance of duties and use the most effective work procedures possible.

Employees should respect the privacy, personality, and rights of others. They should be willing to work with others as a team and be loyal to their associates. Employees should work efficiently and in a responsible manner. They should also support the decisions of the business for which they work. Employees should respect and follow lines of authority and communication. They should recognize the need for an orderly system of operation within the business and set an example for others by their own behavior.

Employees should recognize that the right to hold a job and to receive good wages carries a corresponding responsibility. Employees should try to meet their obligation, act in ways which are acceptable to others, and feel a responsibility to be productive members of society. A worker's code of ethics should also include being self-disciplined, dedicated, and willing to make personal sacrifices. Efforts on the job to maintain the principles discussed in this section will enable employees to achieve satisfaction and subsequent rewards for a job well done. Listening to and respecting the advice of others in developing your own code of ethics will play a key role in your success as an employee.

Ethical Guidelines to Achieve Success

The following principles should be considered in developing a code of ethics to guide the behavior of agribusiness employees.

1. Maintain a desire for knowledge and new skills.
2. Be willing to apply new ideas.
3. Respect the personality of fellow workers.
4. Recognize the right of others to have beliefs and actions different from your own.
5. Recognize that team work is essential.
6. Make efforts to understand different points of view.
7. Cultivate a sense of company loyalty.
8. Assume and carry out responsibility.
9. Have no part in envy, strife, back-stabbing and jealousy.
10. Maintain the confidences of others.
11. Respect authority and order.
12. Set an example by work.
13. Work hard for your pay.
14. Respect the opinions of others.
15. Be self-disciplined and dedicated.

Summary

A worker's job skills and code of ethics are important factors that affect career advancement. Promotion decisions are often based on the level of job skill or ability and the quality of work completed by an employee. Both of these factors are affected by an individual's code of ethics. Keeping these factors in mind will help employees achieve success in their chosen careers.

Credits

Atherton, J.C. and Anthony Mumphrey. Essential Aspects of Career Planning and Development. 2nd ed. Danville, IL: Interstate Printers and Publishers, Inc., 1977.

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UNIT - INTRODUCTION TO AGRICULTURAL BUSINESS

Lesson 6: Agribusiness Procedures

Business Procedures

Business procedures are defined as customary or established methods of conducting business that enable a business to provide products or services. Some methods or procedures are performed by all employees to assure that the business operates smoothly and makes a profit. The reason for using the term "business procedures" is because a procedure should be established for handling various business functions, such as how to handle a shoplifter. All businesses should have set procedures, but the specific procedures may vary between businesses. Each employee should be aware of the business procedures for the agribusiness in which he or she works.

Shoplifters

You cannot look for a particular type of person when trying to identify a shoplifter because they come from all walks of life. Be wary of those people who suspiciously linger around a particular area of a shop or store for an extended period of time. Also be wary of those people who carry large bags or packages, wear overly bulky clothing, or enter a store as part of a group of people.

If you observe someone shoplifting, follow the procedures for such an incident as they are outlined by your employer. A business may be sued if an innocent person is wrongly accused of shoplifting or if shoplifting incidents are not handled properly. The following are some suggested guidelines for handling a shoplifting incident.

1. Immediately notify your supervisor.
2. Do not confront the suspected shoplifter.
3. Do not attempt to detain the suspected shoplifter.
4. Make a list of what was taken.
5. Note the height, weight, age, clothing and any other distinguishing characteristics of the suspect.
6. Note in what direction the suspect traveled after leaving the store or business.
7. If the suspect leaves by car, note the car's make, model, color, license plate number, and number of occupants.

Procedures and Records Needed in Business

A business procedure is often established for the following business functions.

1. Handling communications
2. Billing and credit collection
3. Controlling the inventory and merchandise
4. Keeping records

5. Preparing reports
6. Storing and retrieving information

Handling communications - Communications may be divided into incoming, outgoing, and internal communications. Incoming and outgoing communications are an exchange of information between employees of a business and those people outside the business. This exchange of information includes messages, letters, telegrams, phone calls, and business forms. Internal communications are the messages sent between employees of a business. These communications include written, telephone, intercom, and face-to-face messages.

Billing and credit collection - Every sale or exchange made in a business must be properly recorded. When buying on credit, customers should have a clear understanding of the credit procedures of the business. Remember that on most credit transactions the signature of a customer is required on the sales ticket.

Controlling inventory and merchandise - Stocking what customers need and in adequate quantities requires that a business keep an accurate count of goods. The quantity of goods or property that a business owns is called inventory. Goods that are frequently bought and sold are called merchandise. An accurate inventory is needed when determining the worth of a business and when paying taxes.

Keeping records - Records are statements of business transactions kept for reference in making decisions, preparing reports, and determining the strengths and weaknesses of a business. There are four broad areas in which records are kept: production, marketing, finances, and personnel.

1. Production records include purchases of raw materials, machinery maintenance costs, labor time, and quantity of products produced.
2. Records of marketing information include sales for each product, sales by individual sales persons, salaries and commissions paid to salespeople, and the amount of products returned by customers.
3. Financial records include credit received and extended by the business and items related to the economic status of the business.
4. Personnel records contain employee information concerning payroll, qualifications, personal data (including citizenship status), time worked, title of job, and types of benefits.

Preparing reports - Financial reports show what a business owns (assets) compared to what the business owes (liabilities). The quantity of a product produced over a particular amount of time is shown in production reports. These reports make possible a comparison of the manufacturing costs of different departments. Marketing reports show the amount of sales during certain prescribed time periods. In personnel reports, employee status and turnover are described. And finally, general reports cover the general status of a business.

Storing and retrieving information - Filing systems and computer disks are ways a business stores and retrieves information. Materials commonly filed are copies of invoices, letters, financial statements, inventories, tax

reports, and employee information. This information is stored because it is important to the operation of the business. Some information, such as tax records, must be stored for a certain length of time as required by law.

Using Business Procedures in Agribusinesses

Whether an agribusiness is a success or failure is influenced by the business procedures it uses. Established business procedures and reports can be used by the manager to measure the productivity of employees, conduct a financial analysis, and meet governmental and industrial regulations. Employees should understand the approved procedures of the agribusiness where he or she is employed.

Checking employee productivity - Noting the quantity and quality of work an employee accomplishes can show which employees are most productive. Records may be kept to show who worked on which items or who is selling the most. Keeping a record of customer complaints and compliments may be important in determining the quality of work performed by each employee.

Conducting a financial analysis - A financial analysis should be conducted to calculate the profit earned by the business. Records should be kept so they may be readily summarized. Good records will enable the manager to monitor the financial condition of the business frequently. A financial analysis can help identify areas where the agribusiness is making or losing money.

Meeting government and industrial regulations - Government regulations require that businesses keep records of daily financial transactions. These records are important when the business figures its taxes. Business records may also be required by trade associations in order to compile information about the total industry.

When established procedures are followed, it is easier for the manager to: 1) see the overall efficiency and organization of the business; 2) provide information to stockholders, owners, or lending institutions; 3) help in controlling errors; and 4) show when to order goods or supplies.

Summary

Business procedures are established methods that enable a business to provide products or services in an efficient and effective manner. Employees should follow the established procedures for the agribusiness in which he or she is employed. Understanding and following business procedures is essential for the employee to contribute to the overall operation of a successful agribusiness. When established procedures are followed it is easier for the manager to see the overall efficiency and organization of the business.

Credits

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UNIT - INTRODUCTION TO AGRICULTURAL BUSINESS

Lesson 7: Setting Personal Goals

Career Goals

Career is defined as a chosen pursuit; a lifework. A career goal involves the kind of work you want to do as an adult. Setting a career goal involves careful planning.

Importance of Career Goals

Your career will become the central activity in your adult life. Selecting a career is an important decision. In setting goals, take into consideration your lifestyle and values. Plan according to how you might best fit into the world of work. Persons who do not set career goals may end up working at jobs which are not satisfying.

Lifestyle

Identify someone you know or know of, who is successful in business. What is the connection between that person's lifestyle and their chosen career? Your lifestyle is a way of living that reflects your attitudes and values. Most likely the person who has achieved success in business also has a lifestyle that maintains or adds to that person's success. How do you want to spend your time and money? Is it important to have family, friends, leisure activities, religious activities, or work? What is important to you?

Consider the following three factors about lifestyles when setting career goals.

1. Each component of your lifestyle affects the others.
2. People may differ in their lifestyle priorities.
3. Your career goals should support the lifestyle you desire.

Values

Values are those principles, standards, or qualities that are important to you. Examples of values may include earning a lot of money, maintaining good health, raising a family, having friends, being religious, having self-pride, or helping people. Your experiences as you enter adulthood are important factors in developing your set of values. When setting career goals, be aware that values are important in your selection. Your lifestyle is influenced by your values; both should be considered in setting career goals.

Being Flexible and Realistic

Goals should be dynamic in nature, that is, continually advancing and changing with the environment and outside demands. The world is rapidly changing and it is hard to predict what kind of work you will be doing several years from

now. A flexible person is able to adapt to change. Retraining may be necessary for future advancement or employment opportunities.

A person needs to be realistic when setting career goals. Your work habits, abilities, interests, training, and personal qualities should match the career that you have selected. If not, be realistic in what you can change and how long it will take to change. Also, be realistic in estimating how long it will take to reach your career goals.

Ultimate and Intermediate Career Goals

Usually a major or ultimate career goal cannot be accomplished in only one step. Minor or intermediate goals will need to be set and achieved before reaching your ultimate goal. Intermediate goals can be thought of as steps in achieving an ultimate career goal. For example, Sam plans to own his own feed business in ten years. This is an ultimate goal. In order to reach this goal, Sam needs to set intermediate goals such as working as a stocker in the feed store for two years; working as the inventory supervisor for three years; managing a feed store for five years; saving $50,000 for a down payment; and taking courses in business management from a local college.

An individual may be working to achieve more than one intermediate goal at the same time. In the above example, Sam may be saving for the down payment when he is working as a stocker, supervisor, and manager. An ultimate goal may be revised as intermediate goals are achieved or not achieved. Sam may decide that owning a feed store in 10 years is an unrealistic goal. By adjusting his goal to owning a feed store in 15 years, Sam may more realistically estimate the time that it will take for him to reach his career goal.

Career Goal Guidelines

When setting career goals, keep in mind that a career is the path you choose to follow in your life's work. Failure is just as much a part of life as is success. The best way to avoid failure in your career is to take the extra time necessary to carefully plan your career goals. Below are seven suggested guidelines to follow in setting career goals.

1. Conceivable - The goal can be put into words.
2. Acceptable - It appears to be appropriate to your values.
3. Attainable - It can be accomplished using a plan of action.
4. Manageable - You have direct control over the achievement of the goal; it does not depend on others.
5. Assessable - There is some sort of record keeping and a method for assessment.
6. Desirable - It is something you really want to do.
7. Growth producing - It encourages positive self-development and change.

Summary

Lifestyle and values will influence your career choice. Careful planning is important when setting career goals. Intermediate goals can be considered steps in reaching an ultimate career goal. An individual who is realistic and

flexible may adjust his or her career goal as intermediate goals are accomplished or not accomplished.

Credits

Kimbrell and Vineyard. Entering the World of Work. 1st ed. Bloomington, IL: McKnight Publishing Co., 1978.

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